

117 - O.C. HOUSING AUTHORITY - OPERATING RESERVES

Operational Summary

Description:

To work in partnership with and advocate for Orange County's diverse communities, improve lives by supporting and providing needed community services, strengthen economic viability, and preserve and expand affordable housing opportunities; thereby enhancing the quality of life for our community.

Strategic Goals:

- Increase and preserve affordable housing opportunities, especially for those most in need.

FY 2005-06 Key Project Accomplishments:

- The Housing Assistance Division at HCS provided monthly rental assistance to more than 10,000 households during each month of Fiscal Year 05-06. New federal funding limitations required HCS to reduce its lease-up levels in the Section 8 Housing Choice Voucher Program. This insured that program resources benefiting the Section 8 Rental Assistance clients were fully utilized within federal funding constraints.
- Construction was completed on two affordable rental housing development projects (Heritage Place at Tustin and Laguna Canyon), which are funded with Housing Authority Operating Funds. These two projects will provide a total of 174 new affordable housing rental units for Orange County residents.
- Provided \$400,000 in assistance to 8 non-profit organizations which provide housing and shelter services to the County at-risk population.

O.C. Hse Authority/Oper Reserv - Operating Reserve funds may be used only for the cost of ongoing administration of Housing and Community Services' (HCS) current Section 8 rental assistance program or for other housing related purposes consistent with state and local law, including the development of affordable housing as approved by the Board.

At a Glance:

Total FY 2005-2006 Actual Expenditure + Encumbrance:	1,775,989
Total Final FY 2006-2007	1,822,221
Percent of County General Fund:	N/A
Total Employees:	0.00

Budget Summary

Plan for Support of the County's Strategic Priorities:

Affordable housing development continues to be one of the Board of Supervisors' Top 10 Strategic Priorities. Currently, HCS has committed \$30 million to affordable housing projects within Orange County. The Department will continue to solicit affordable housing projects through Request

for Proposal (RFP) and the Notice of Funding Availability (NOFA) processes. The goal of the RFP and the NOFA is to promote the development of permanent affordable rental housing for Orange County's very-low and low-income households.

Changes Included in the Base Budget:

The FY 06-07 budget reflects a \$4 million decrease from the FY 05-06 budget. This is due to completion of two affordable housing projects totaling over \$3 million which are no longer included in the budget; and the elimination of \$1 million in future years costs that will not be realized in FY 06-07. Fund 117 will continue to provide money for Housing Supportive Service contracts, Super NOFA Homeless Assistance application planning activities and affordable housing monitoring responsibilities.

Final Budget History:

Sources and Uses	FY 2004-2005	FY 2005-2006	FY 2005-2006	FY 2006-2007	Change from FY 2005-2006	
	Actual Exp/Rev	Budget As of 6/30/06	Actual Exp/Rev ⁽¹⁾ As of 6/30/06	Final Budget	Actual Amount	Percent
Total Revenues	9,695,173	8,898,350	9,712,616	1,822,221	(7,890,395)	-81.24
Total Requirements	1,173,722	8,898,350	4,879,108	1,822,221	(3,056,887)	-62.65
Balance	8,521,451	0	4,833,507	0	(4,833,507)	-100.00

(1) Amounts include prior year expenditure and exclude current year encumbrance. Therefore, the totals listed above may not match Total FY 2005-06 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: O.C. Housing Authority - Operating Reserves in the Appendix on page A110

Highlights of Key Trends:

- In 2004, HUD changed its funding allocation method which supports the operating costs of the Section 8 Housing Assistance Program. Consequently, certain Housing Assistance operating costs are funded with

Fund 117 monies. These operating expenses include: fraud investigation, overtime, field vehicle replacements, portions of the Family Self Sufficiency program, and potential operating deficits.

117 - O.C. Housing Authority - Operating Reserves

Summary of Final Budget by Revenue and Expense Category:

Revenues/Appropriations	FY 2004-2005		FY 2005-2006		FY 2005-2006		Change from FY 2005-2006	
	Actual Exp/Rev	Budget	Actual Exp/Rev ⁽¹⁾	FY 2006-2007	Actual			
		As of 6/30/06	As of 6/30/06	Final Budget	Amount	Percent		
Revenue from Use of Money and Property	\$ 505,295	\$ 376,899	\$ 767,225	\$ 240,000	\$ (527,225)	-68.72%		
Intergovernmental Revenues	2,659,986	0	0	0	0	0.00		
Miscellaneous Revenues	24,945	0	47,233	205,146	157,913	334.33		
Total FBA	5,872,001	8,521,451	8,521,451	1,377,075	(7,144,376)	-83.84		
Reserves	616,830	0	411,281	0	(411,281)	-100.00		
Reserve For Encumbrances	16,116	0	(34,575)	0	34,575	-100.00		
Total Revenues	9,695,173	8,898,350	9,712,616	1,822,221	(7,890,395)	-81.24		
Services & Supplies	826,821	779,953	714,032	1,487,221	773,189	108.28		
Other Charges	244,295	4,130,703	440,969	0	(440,969)	-100.00		
Fixed Assets	0	0	0	35,000	35,000	0.00		
Other Financing Uses	102,606	850,000	586,413	300,000	(286,413)	-48.84		
Reserves	0	3,137,694	3,137,694	0	(3,137,694)	-100.00		
Total Requirements	1,173,722	8,898,350	4,879,108	1,822,221	(3,056,887)	-62.65		
Balance	\$ 8,521,451	\$ 0	\$ 4,833,507	\$ 0	\$ (4,833,507)	-100.00%		

(1) Amounts include prior year expenditure and exclude current year encumbrance. Therefore, the totals listed above may not match Total FY 2005-06 Actual Expenditure + Encumbrance included in the "At a Glance" section.